## REMARKS

The comments of the applicant below are each preceded by related comments of the examiner (in small, bold type).

> **Claims 1-7, 9-25 and 27 rejected under 35 U.S.C. 102(b) as being anticipated by Eder (USPN 6,321,205 Bl, referred to as Eder).**
>
> **As to Claim 1, Eder discloses a machine-based method comprising in connection with a predictive model development project (Eder, C 39 L 40: components of all defined enterprises; Fig. 7, 50: Application Database; EN: an enterprise is a project) in which a user interacts with a computer application in a succession of steps to generate a predictive model (Eder, C 39 L 36: Predictive Model Specification) based on historical data about a system being modeled (Eder, C 23 L 09: based on historical information), the user's progress in developing the model having a state at each of the successive steps, automatically storing structured project information that captures a state of the project (Eder, C 25 L 52: state of each node; EN: nodes are associated with the enterprise (Eder, C 39 L 60: nodes for the network)) at each of the successive steps (Eder, C 07 L 04: major processing steps; Fig 1: The processing steps involve databases at successive steps that represent storage) in generating the model.**

Amended independent claim 1 recites automatically storing structured project information that captures a state of a project at each of successive steps in generating a model. The successive steps of the project are re-entrant based on the stored structured project information so that the user can make revisions to the project without restarting the project.

Eder does not disclose and would not have made obvious the features of claim 1. Eder describes identifying enterprise value drivers and using predictive models to determine the relative impact of each value driver on the overall valuation. Eder's value drivers include revenue driver values, expense value drivers, and others. Predictive models are generated based on each type of current driver values to determine relationship between the value drivers and the revenue. As Eder explains:

> The software in block 305 creates a predictive time series neural net model for the revenue driver. (Eder, col. 24, lines 34-35.)
>
> The software in block 309 creates a predictive time series neural net model for the expense driver in a manner similar to that described previously for block 305. (Id., col. 29, lines 10-12.)
>
> The flow diagrams in FIG. 9A and FIG. 9B detail the processing that is completed by the portion of the application software (600) that uses predictive models to determine the relationship between the value drivers and the revenue, expense and capital components of all defined enterprises. Processing begins in software block 602. The software in block 602 checks the revenue model

> weights table (159) in the application database (50) to determine if the revenue components for all enterprises have "current" models. If there are revenue components without "current" predictive models, then processing advances to a software block 603 where the information specifying the next revenue component is retrieved from the revenue component definition table (150) in the application database (50). After the revenue component definition has been retrieved, processing advances to a software block 604 where the software in the block creates a predictive time series neural net model for the revenue component. More specifically, the software in the block creates a neural network model that relates the value drivers for a given enterprise to the revenue component. (Id., col. 39, lines 38-58.)

Accordingly, although Eder describes using value drivers to generate a predictive model, Eder does not describe "successive steps" in generating his model, let alone automatically storing "structured project information that captures a state of a project at each of the successive steps in generating a model", where "the successive steps of the project are re-entrant based on the stored structured project information so that the user can make revisions to the project without restarting the project".

To the contrary, in Eder, if there are sub-components of the driver values, or a user specifies a change in the driver values, the model process is repeated, i.e., re-started, to obtain a model for each sub-component, or for understanding of the probable impact of the user's change on the other driver values. As Eder explains:

> If there are sub-components, then the process described above is repeated until all expense sub-components have "current" models. When all expense components or all expense sub-components have "current" models, processing advances to a software block 611. (Id., col. 40, lines 57-61.)

> If the user has specified changes in value drivers and is seeking to understand the probable impact of these changes on the other value drivers, the financial performance and the future value of the enterprise, then the software in block 854 iterates the model as required to ensure the convergence of the frequency distribution of the output variables. Alternatively, if the user specified a specific level of future financial performance and is seeking a recommendation regarding changes to be made, then the simulation is run in a goal seeking mode. In either case after the simulation calculations have been completed, the software in block 854 saves the resulting information in the scenario table (184) before processing advances to a software block 855. (Id., col. 46, lines 47-60.)

Accordingly, Eder does not describe successive steps of a project being re-entrant based on stored structured project information so that the user can make revisions to the project without restarting the project, as recited by claim 1.

> **As to Claim 11, Eder discloses a machine-based method comprising in connection with a project in which a user generates a predictive model based on historical data (Eder, C 23 L 09: based on historical information) about a system being modeled, storing in a common location (Eder, C 07 L 16; aggregating and storing; EN; aggregate is to combine) project information that includes a model validation process and at least two of project objectives, project schedules, project**

**requirements (Eder, C 25 L 58: neural network requires; EN: neural network is used to model a project and hence its requirements would use project requirements data for training), information about the historical data (Eder, C 23 L 09: based on historical information), equations expressing the model, performance characteristics of the model, and outputs of the model (Eder, C 24 L 60-63; neural network is determined; output nodes; C 25 L 53: generate an output variable; EN; Neural network is the model).**

**As to Claim 20, Eder discloses a machine-based method comprising enabling users to engage in predictive model development projects to generate predictive models based on historical data about systems being modeled, and applying a common project tracking paradigm (Eder, C 06 L 47: ability to track the changes in elements) to manage the generation of the models (Eder, Abstract: define a financial simulation model such as a Markov Chain Monte Carlo model) by the users and to store project progress tracking information associated with the respective models in a common format (Eder, C 06 L 53: produces reports in formats that are similar to reports provided by traditional systems).**

Independent claims 11 and 20 contain similar features to independent claim 1 and are patentable for at least similar reasons discussed with respect to claim 1.

**In reference to Applicant's argument regarding claim 11; Eder does not include a model validation process.**

**Examiner's response;**

**Eder discloses using a neural network (C25 L58). With the use of a neural network, training a network is inherent, which is the equivalent of a model validation process.**

The applicant disagrees. Training a network is not the equivalent of a model validation process. Rather, training a network is preparation for using the network. As Eder explains:

> The normal operation of a neural network requires the use of very large amounts of data to train the network to minimize the error function and then test the networks predictive capabilities. (Id., col. 25, lines 58-61)

Accordingly, Eder trains his network to optimize the performance of his network, which is tested afterwards. Eder's training is not a model validation process as recited in claim 11.

**In reference to Applicant's argument regarding claim 20; Eder does not disclose a project tracking paradigm.**

**Examiner's response:**
**Eder does disclose a project tracking paradigm (C06 L47; ability to track the changes in elements). The elements referred to are business value elements. To one of ordinary skill in the art, tracking business value elements is analogous to project tracking.**

The applicant disagrees. The project paradigm recited in claim 20 stores "project progress tracking information", in which the project generates predictive models. To the contrary, Eder's system tracks the changes in elements of business value and total business value

over time by comparing the current valuation to previously calculated valuations. (See, e.g., col. 6, lines 47-49.) Therefore, Eder tracks the results of the models but not the progress of generating the models.

All of the dependent claims are patentable for at least similar reasons as those for the claims on which they depend are patentable .

Canceled claims, if any, have been canceled without prejudice or disclaimer.

Any circumstance in which the applicant has (a) addressed certain comments of the examiner does not mean that the applicant concedes other comments of the examiner, (b) made arguments for the patentability of some claims does not mean that there are not other good reasons for patentability of those claims and other claims, or (c) amended or canceled a claim does not mean that the applicant concedes any of the examiner's positions with respect to that claim or other claims.

The fee in the amount of $525 for the Petition for Extension of Time fee is being paid on the electronic filing system by way of deposit account authorization. Please apply any other charges or credits to deposit account 06-1050, referencing attorney docket 17146-002001.

Respectfully submitted,

Date: 6/13/8

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